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THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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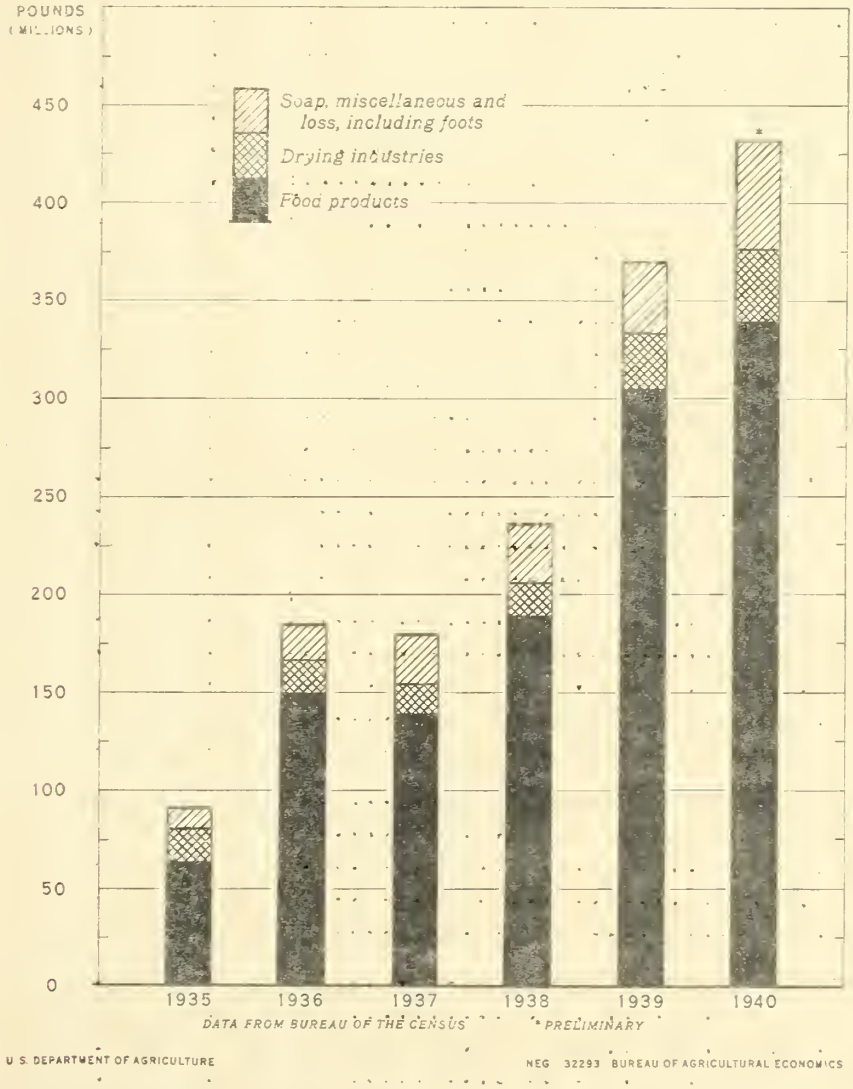
IN THIS ISSUE:
FACTORY CONSUMPTION OF FATS AND OILS, BY CLASSES OF PRODUCTS, 1938-40

FACTORY CONSUMPTION OF SOYBEAN OIL, BY CLASSES OF PRODUCTS, UNITED STATES, 1935-40



APPROXIMATELY 339 MILLION POUNDS OF SOYBEAN OIL ENTERED INTO THE MANUFACTURE OF FOOD PRODUCTS IN 1940 COMPARED WITH 305 MILLION POUNDS IN 1939. IN ADDITION, 37 MILLION POUNDS WERE USED IN THE DRYING INDUSTRIES COMPARED WITH 28 MILLION POUNDS A YEAR EARLIER. UTILIZATION OF SOYBEAN OIL IN SOAP AND IN MISCELLANEOUS PRODUCTS, TOTALING 18 AND 17 MILLION POUNDS RESPECTIVELY, ALSO WAS MATERIALLY LARGER THAN A YEAR EARLIER. (FOR DATA, SEE TABLE 2 OF THIS REPORT, AND THE APRIL 1939 ISSUE OF THE FATS AND OILS SITUATION).

Table 1.- Price per pound of specified fats and oils, March 1939 and 1940, January-March 1941

Item	Mar. 1939	Mar. 1940	1941 Jan.	1941 Feb.	1941 Mar.
	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	23.7	28.0	30.1	30.1	30.8
Butter, 92-score, New York	24.3	28.6	31.1	30.8	31.6
Oleomargarine, dom. veg., Chicago	14.5	15.0	14.5	14.5	14.5
Compounds (animal and veg. cooking fats), Chicago	9.2	9.6	10.3	10.5	11.1
Lard, prime steam, tierces, Chicago	6.5	5.9	5.2	6.2	7.0
Lard, refined, cartons, Chicago 1/	7.5	6.5	6.8	6.8	7.3
Oleo oil, extra, tierces, Chicago	7.8	7.1	7.0	7.0	7.2
Oleostearine, bbl., N. Y.	6.6	6.3	6.4	6.3	6.8
Tallow, edible, Chicago	5.6	4.9	5.4	5.1	6.0
Corn oil, crude, tanks, f.o.b. mills	6.0	6.1	6.7	6.6	6.6
Corn oil, refined, bbl., N. Y.	8.9	8.8	9.1	9.4	9.1
Cottonseed oil, crude, tanks, f.o.b. S.E. mills	5.8	5.9	5.4	5.3	6.4
Cottonseed oil, p.s.y., tank cars, N. Y.	6.9	6.7	6.4	6.2	7.1
Peanut oil, crude, tanks, f.o.b. mills	5.9	6.6	5.6	5.3	6.2
Peanut oil, dom. refined, bbl., N. Y.	9.1	9.6	8.2	8.5	8.8
Soybean oil, crude, tank cars, midwestern mills	4.9	5.7	5.1	5.1	6.0
Soybean oil, dom., crude, drums, N. Y.	6.3	7.2	6.9	6.8	7.9
Soybean oil, refined, drums, N. Y.	7.5	8.4	8.2	8.0	8.0
Babassu oil, tanks, N. Y.	6.1	6.2	---	---	---
Coconut oil, crude, tanks, f.o.b. Pacific Coast 2/	5.9	5.8	5.9	6.0	6.8
Coconut oil, edible, drums, N. Y. 3/	8.2	8.6	7.8	8.0	8.8
Olive oil, edible, drums, N. Y.	25.1	26.0	43.2	42.9	46.9
Olive-oil foots, prime, drums, N. Y.	7.0	8.3	10.2	10.6	11.5
Olive-oil, inedible, drums, N. Y.	11.6	12.8	31.2	30.4	30.8
Palm oil, Niger, crude, drums, N. Y. 2/	6.8	7.6	7.4	7.2	7.7
Palm oil, Sumatra, bulk, N. Y. 2/	5.8	6.0	5.2	5.2	6.6
Rape oil, refined, bbl., N. Y.	4/ 10.8	4/ 13.7	12.8	12.7	12.7
Rape oil, blown, bbl., N. Y.	14.2	17.2	17.5	17.5	17.5
Sesame oil, refined, drums, N. Y.	9.1	14.7	---	---	---
Teaseed oil, crude, drums, N. Y.	8.9	12.0	17.5	17.2	17.4
Tallow, inedible, Chicago	5.1	4.6	4.7	4.5	5.4
Grease, A white, Chicago	5.3	4.6	4.8	4.6	5.8
Menhaden oil, crude, tanks, f.o.b. Baltimore	4.1	4.6	4.4	4.7	5.4
Sardine oil, crude, tanks, Pacific Coast	4.1	5.0	5.4	6.0	6.9
Whale oil, refined, bleached winter, drums, N. Y.	8.2	4/ 9.5	9.5	9.5	9.5
Linseed oil, raw, tank cars, Minneapolis	8.6	10.3	8.7	8.8	9.0
Linseed oil, raw, drums, carlots, N. Y.	8.9	10.7	9.6	9.6	10.0
Perilla oil, drums, N. Y.	4/ 9.7	4/ 21.0	18.0	18.1	18.2
Oiticica oil, drums, N. Y.	9.8	19.8	19.0	18.1	17.2
Tung oil, drums, N. Y.	15.2	27.4	27.2	27.6	28.6
Castor oil, dehydrated, drums, carlots, N. Y.	---	18.1	13.1	13.2	13.2
Castor oil, No. 3 bbl., N. Y.	8.9	12.8	9.8	9.8	9.8
Cod-liver oil, med. U.S.P. bbl., N.Y. (dol. per bbl.)	23.8	33.5	71.7	68.5	71.0
Cod oil, Newfoundland, bbl., N. Y.	4.0	9.0	8.4	8.7	9.0

Compiled from Oil, Paint and Drug Reporter, The National Provisioner, and reports of the Agricultural Marketing Service and Bureau of Labor Statistics. Prices quoted include excise taxes and duties where applicable. 1/ Reported in tubs prior to July 1940. 2/ Three-cent processing tax added to price as originally quoted. 3/ Prior to this issue, prices for this series were given on the basis of sales in tanks, 0.75 to 1.25 cents per pound lower than the present basis of quotation (drums). 4/ Revised.

THE FATS AND OILS SITUATION

Summary

Lard prices during the coming year probably will be strengthened by Government purchases under the recently announced program for support and stabilization of hog prices. Lard production so far this year has been considerably smaller than a year earlier, and is expected to continue at reduced levels until the spring of 1942. As a reflection of this situation, and of probable purchases of lard for export to Great Britain under the lend-lease legislation, prices of lard and competing fats and oils have advanced fairly sharply since late February. During the past 2 years, lard prices have been abnormally low in relation to prices of competing products. For the coming year, advances in lard prices may be more pronounced than in the case of such products.

Other factors which will tend to strengthen prices of lard and other fats and oils during the next several months include: (1) A stronger consumer demand resulting from increased industrial activity, particularly in the second half of 1941; (2) higher ocean shipping costs for imported oilseeds and oils; and (3) possible restrictions in the volume of imports as a result of reduction in shipping space. Continued weakness in the effective foreign demand for fats and oils resulting from the blockade of much of western Europe, however, will be a restraining factor on prices in surplus-producing areas and in this country.

Prices of domestic oilseeds probably will reflect any sustained rise in prices of vegetable oils. But with abundant supplies of feedstuffs available, and with prices of domestic oilcake meals at comparatively low levels, price gains for oilseeds are likely to be more moderate than for oils.

The general level of prices of fats and oils in March was 6 percent higher than a month earlier and 11 percent higher than a year earlier, but was 28 percent below the 1924-29 average. Prices of domestic oilseeds also advanced in March, but continued below last year's levels.

-- April 14, 1941

REVIEW OF RECENT DEVELOPMENTS

Prices of fats and oils highest in over 3 years

Wholesale prices of fats and oils advanced in March to the highest level since January 1938. The price index for March, at 72 percent of the 1924-29 average, was four points (6 percent) higher than a month earlier and seven points (11 percent) higher than a year earlier.

Substantial gains were recorded in prices of tallow, greases, cottonseed oil, palm oil, fish oils, soybean oil, lard, coconut oil, peanut oil, and olive oil. Prices for oleostearine, cod-liver oil, tung oil, linseed oil, oleo oil, and butter were moderately higher than a month earlier. Little change occurred in prices of castor, perilla, rape, and teaseed oils; while prices for two oils, corn and oiticica, declined.

Comparison of prices in March this year and last reveals striking gains for cod-liver oil and olive oil, imports of which have been sharply curtailed by war in Europe. Prices for most other fats and oils were considerably higher in March this year than last. However, prices for a few oils, notably the drying oils (excluding tung) and peanut oil, continued below last year's levels.

Prices of oilseeds as well as most oils advanced in March, with copra prices showing the most pronounced gain. Fairly large increases were recorded for soybeans and castor beans, and moderate gains for peanuts, cottonseed, and flaxseed. Copra prices were considerably higher in March than a year earlier, but prices for other oilseeds were below last year's levels. Prices for cottonseed, linseed, peanut, and soybean meals, reflecting the abundant supplies of domestic feedstuffs, were at comparatively low levels in March.

Several factors have contributed to the rise in prices of fats and oils in recent weeks. These are (1) growing strength in domestic demand resulting from increases in industrial activity and consumer incomes; (2) a lower rate of output for lard and greases; (3) higher shipping costs for imports of oilseeds and oils, together with some restriction in the volume of imports, resulting in part from the withdrawal of British vessels from American service; and (4) Government lard purchases.

Imports increased in February, but January-February total below last year

Although imports of oilseeds and oils were larger in February than in January, total imports for the first 2 months this year were somewhat below those of the corresponding period in 1940. Imports of castor beans, palm oil, and palm kernels for the 2-month period were considerably larger than a year earlier. But a major decline occurred in imports of coconut oil and copra, apparently because of scarcity of shipping space on the Philippine-United States run. Imports of tung oil, olive oil, and perilla oil declined to unusually low levels, mainly as a result of hostilities in China and southern Europe and short supplies of perilla seed in Manchuria and Japan.

Exports of lard and soybeans continue small; coconut oil shipped to Siberia

Lard exports in February, totaling nearly 15 million pounds, were slightly larger than in January but were about 10 million pounds below those in February last year. The January-February total this year was about 45 percent under that of a year earlier. Cuba, Japan, Mexico, other Latin America, Finland, and the Soviet Union, in order of importance, were the principal markets. Over 7 million pounds of lard, and nearly 4 million pounds of glycerine, were shipped to Japan, which usually does not import these commodities, from December 1940 through February 1941. A little over 1 million pounds of lard were consigned to Vladivostok in February, another unusual shipment. Also unusual was the export of over 25 million pounds of crude coconut oil to Vladivostok in February.

Soybean exports have been negligible so far this year. Approximately 2.3 million bushels were exported in January-February last year, chiefly to the Netherlands and Scandinavian countries.

After April 15, all fats, oils, oilseeds, and fatty acids will be subject to export license control. Exports of glycerine are already subject to such control. This action is not expected to interfere seriously with normal export shipments.

Peanut marketing quotas established

Marketing quotas for 1941-crop peanuts, as provided by Congress in a recent amendment to the Agricultural Adjustment Act of 1938, were proclaimed by the Secretary of Agriculturl April 5. The national quota for 1941 is 1,255,800,000 pounds of peanuts, based on an acreage allotment set by law of 1,610,000 acres and a normal yield factor of 780 pounds per acre. The marketing quota will remain in effect only if approved by two thirds or more of the peanut farmers voting in a referendum to be held April 26. The vote will be for a three-year period, affecting the crops of 1941, 1942, and 1943.

Under the quota, a farmer who plants within his peanut acreage allotment may market all he produces without penalty. Peanuts marketed in excess of the farm marketing quota are subject to a penalty of 3 cents per pound. However,

payment of the penalty is not required if the excess peanuts are delivered to an agency designated for handling such peanuts. In this case, the farmer will receive a price for his excess peanuts based on the value of the oil and meal, which usually is considerably lower than the market price for edible peanuts.

Only peanuts picked and threshed by mechanical means are subject to marketing quotas. Peanuts hogged off or dug for hay do not come under quotas. Quotas do not apply to farms on which the measured peanut acreage is one acre or less.

If quotas are approved in the forthcoming referendum, farmers are assured of a loan or diversion program, or both, for peanuts produced within the quotas, as a means of protecting peanut prices. The loan rate would be between 50 and 75 percent of parity. If quotas are not approved in the referendum, the Act requires that no peanut loan or diversion program may be offered for the 1941 crop.

Approximately 1,611,634,000 pounds of peanuts were picked and threshed by mechanical means on 1,907,000 harvested acres in 1940, according to preliminary estimates. A large part of the 1940 crop was purchased by cooperatives, largely for resale to oil mills under the original peanut diversion program. That program had the effect of supporting prices for the entire crop rather than for that portion of the crop produced within quota limits, as contemplated in the recent amendment to the Act.

OUTLOOK

BACKGROUND.- Prior to the outbreak of war in Europe, prices of most fats and oils were at low levels, mainly because of increasing world supplies of vegetable and marine oils. Foreign demand for American lard was weak. Following the outbreak of war, prices advanced, but most of the gain was lost during the first 8 months of 1940, when the world demand for fats was greatly weakened by the loss of important European markets. Since then, prices have moved upward in response to improved domestic demand, reduced output of lard and greases, rising shipping costs for imported oils, and Government lard purchases. Domestic production of fats in 1940, the largest on record, was equivalent to 90 percent of domestic requirements. An ample supply of food fats was produced, but production of certain soap, drying, and other industrial oils was considerably below domestic needs.

Production to continue large in 1941

It was indicated in recent issues of this report that production of lard and greases in 1941 would be 10-20 percent smaller than in 1940 as a result of reductions in the spring and fall pig crops of 1940 and in the spring pig crop of 1941. On the other hand, it was indicated that output of vegetable and marine oils might be increased sufficiently to offset the decrease in production of hog fats. Most of the increase in output is likely to come in the

first 8 months of the year from the comparatively large harvest of oilseeds in 1940. During the latter part of 1941, production of vegetable oils from domestic materials may be no larger than in the corresponding period of 1940. Production of fish oils during this period, however, is likely to be somewhat greater than the relatively small output of a year earlier.

First indications as to the probable size of 1941 field crops are given in the prospective plantings report issued by the Agricultural Marketing Service March 18. The acreage indicated to be planted to peanuts is slightly larger than the 2,390,000 acres planted last year. But the prospective acreage for flaxseed is 2 percent smaller, and that for soybeans is 7 percent smaller than a year earlier. Minor changes in acreage such as those indicated for peanuts and flaxseed ordinarily are less important than variations in yields. Yields for both peanuts and flaxseed were unusually high in 1940. Assuming that yields for these crops would be more nearly normal this year, and that the acreage intentions are borne out, peanut and flaxseed production would be smaller than a year earlier. In the case of peanuts, however, it is possible that the total acreage planted may be larger than that now indicated, as a result of production on farms where peanuts have not previously been grown.

It was recently announced that provisions of the 1941 Agricultural Conservation Program will be amended so as to permit the growing of peanuts for oil on any part of the cotton acreage allotment which is not used for cotton production without incurring deductions from agricultural conservation and parity payments. It was pointed out that this provision would not affect the operation of peanut marketing quotas if they are approved by growers in the referendum to be held under the legislation providing for such quotas. In effect, this means that for every acre by which a farmer underplants his 1941 cotton acreage allotment, he may overplant his 1941 peanut acreage allotment for the purpose of selling such peanuts at their market value for crushing, and still qualify for full conservation and parity payments under the Agricultural Adjustment Administration Farm Program.

A large part of the soybean acreage is harvested for hay. With favorable price conditions, the proportion harvested for beans could be increased considerably. Apart from that consideration, weather conditions during the growing and harvesting season exert a marked influence on the outturn of the crop. Soybean yields were unusually low last year as a result of growing conditions which probably will not be duplicated this year. Hence, it is quite possible that soybean production will be increased even though the planted acreage may be reduced.

Further improvement in demand indicated

Domestic demand for fats and oils is expected to show material improvement in the next several months as industrial activity expands and consumer incomes are increased. This improvement is likely to be most pronounced during the second half of 1941 when many new defense plants will come into operation. The demand for domestic fats may be further strengthened as a result of rising shipping costs, reduced supplies, and higher prices for imported

fats. The effective foreign demand for fats probably will continue weak, however, so long as the blockade of continental Europe is continued. The weakness in foreign demand will tend to prevent prices in surplus-producing areas from rising materially, and thus will have the effect of limiting any rise in domestic prices for such imported fats as are freely available.

Government purchase program to support butter and lard prices

In an effort to bring about increased supplies of certain livestock products to meet probable domestic and European needs in the next few years, the Department of Agriculture on April 3 announced a new food program for supporting and stabilizing prices and increasing production of hogs, dairy products, poultry, and eggs. It was announced that the commodity-loan program for corn, which has had the effect of stabilizing corn prices, would be continued. The new program will extend until June 30, 1943.

Average prices of packer and shipper hogs and of 92-score butter at Chicago are to be supported at approximately 9 cents and 31 cents per pound respectively, with due allowance for seasonal price changes. Supporting the price of hogs at about 9 cents will have the effect of strengthening the hog-corn price ratio and thus of bringing about a greater increase in hog production than would have occurred otherwise. This increase probably will be reflected in the fall pig crop of 1941, and in hog marketings in the spring and summer of 1942. The decrease in pork and lard production in the next several months may be less than had been expected previously because the new food program is expected to result in an increase in the average weights of hogs marketed. Since the price of butter in March was near the announced level, little change in dairy production, aside from the usual seasonal changes and a tendency toward increased production already under way, is now anticipated.

The average price of packer and shipper hogs at Chicago in early April was about 7.7 cents per pound. In supporting this price at approximately the 9-cent level the Government will purchase certain quantities of pork products and lard, with the relative distribution of purchases at present depending largely on British requirements, Red Cross export requirements, and domestic relief needs. The Government lard purchases are expected to strengthen lard prices during the coming year. Prices of cottonseed oil and other domestic edible oils and fats probably will also rise, but in view of the fact that lard prices during the past 2 years have been abnormally low in relation to prices of competing oils and fats, the rise in prices of competing products may be considerably less pronounced than the increase in lard.

FACTORY CONSUMPTION OF FATS AND OILS BY CLASSES OF PRODUCTS, 1938-40

Data for the years 1938-40 on factory consumption of fats and crude oils by classes of products, as reported by the Bureau of the Census, 1/ together

1/ Factory Consumption of Animal and Vegetable Fats and Oils by Classes of Products for 1940, preliminary report, Washington, March 15, 1941. Data for earlier years are given in Animal and Vegetable Fats and Oils, an annual report of the Bureau of the Census.

with the estimated total apparent disappearance, 2/ are given in this report in continuation of similar statistics, beginning 1931, published in the April 1939 issue of The Fats and Oils Situation.

Consumption in 1940, in general, was characterized by increased use of domestic fats and oils in all classes of products, and by decreased use of imported items in all categories except miscellaneous products. Material gains in domestic production of lard, tallow, greases, soybean oil, and linseed oil were chiefly responsible for this situation, although rising costs for ocean shipments for imported oilseeds and oils and difficulties in obtaining supplies of some imported items were contributing factors.

Comparatively little lard enters into manufactured products. Total lard consumption in 1940 amounted to about 1,926 million pounds compared with 1,627 million pounds in 1939, and 1,420 million pounds in 1938. Factory utilization in 1940 totaled only 30 million pounds, of which more than half was in the production of compounds and most of the remainder in the production of oleomargarine and other edible products. Approximately 645,000 pounds of lard were used in the manufacture of soap in 1940 compared with 50,000 pounds a year earlier. Because of the unusually low prices prevailing for lard during most of 1940, additional unreported quantities apparently were denatured and sold as grease to soap makers.

The most notable increase in utilization of soap fats in 1940 occurred in inedible tallow and greases. The use of these fats showed gains of 137 million pounds in soap and 18 million pounds in miscellaneous products.

Approximately 339 million pounds of soybean oil entered into the manufacture of food products in 1940 compared with 305 million pounds in 1939. In addition, 37 million pounds were used in the manufacture of paint, varnish, linoleum, oilcloth, and printing ink compared with 28 million pounds a year earlier. Utilization of soybean oil in soap and in miscellaneous products, totaling 18 and 17 million pounds respectively, also was materially larger than a year earlier.

Consumption of linseed oil in the drying industries was increased moderately in 1940. The use of linseed oil obtained from domestic flaxseed was considerably greater than in 1939, but the use of oil from imported flaxseed was reduced.

Factory utilization of corn oil and oleo oil, chiefly in food products, also was expanded in 1940. But with decreased output, the consumption of cottonseed oil, peanut oil, edible tallow, and oleostearine, in food products, was reduced. Consumption of fish oil and whale oil in soap, similarly, was reduced, although a moderate increase in the use of fish oil in the drying industries was reported.

Coconut oil is the most important of the imported fats. Consumption of this oil and of babassu oil in food products was reduced in 1940, but utilization in soap was increased. Soap accounted for 75 percent of the total factory

2/ The Fats and Oils Situation, February 1941.

use of coconut oil in 1940 and 74 percent of the total for babassu oil. Comparatively little palm-kernel oil was consumed in 1940. About the same quantity was used in food products as in 1939, but utilization in soap, formerly the chief outlet for this oil, was negligible.

A sharp decrease in palm-oil consumption occurred in 1940. The principal reduction was in food products, but the use of this oil in soap also was reduced. However, moderately larger quantities were used in the tin and terneplate industry than in 1939. Soap accounted for 54 percent of the total factory use of palm oil in 1940, food products 23 percent, tin and terneplate 20 percent.

Because of unusually high prices for tung oil and perilla oil resulting from difficulties in obtaining supplies from the Far East, consumption of these oils in the drying industries was sharply reduced in 1940. Reduction in use of these oils accounts in part for the increased use of linseed, soybean, and fish oils for drying purposes, and was mainly responsible for the considerably larger consumption of castor oil in 1940 than in 1939. The quantity of castor oil used for other purposes was not greatly changed in 1940.

Table 2.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1938-40

Products manufactured	Babassu oil			Castor oil			Coconut oil		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	950	506	381	---	---	---	26,199	20,659	17,576
Oleomargarine	11,545	13,944	6,148	---	---	---	89,521	38,516	21,783
Other edible products	8,969	8,459	5,759	---	---	---	61,493	43,931	54,689
Soap	8,289	37,633	41,221	1,810	946	1,225	342,982	388,912	396,857
Paint and varnish	---	---	---	2/ 5,792	11,439	24,368	442	707	1,261
Linoleum and oilcloth	---	---	---	2/ 51	88	137	---	---	---
Printing inks	---	---	---	200	317	352	2	3	2
Miscellaneous	---	6	8	2/ 20,307	28,277	27,950	3,572	3,852	4,531
Loss, including oil in foots	2,715	2,645	1,964	---	23	14	30,826	32,574	31,504
Total factory consumption	32,468	63,193	55,481	28,160	41,090	54,046	555,017	529,154	528,203
Total apparent disappearance	30,961	67,565	60,224	53,155	79,069	90,246	2/ 602,839	600,074	597,907

Products manufactured	Corn oil			Cottonseed oil			Fish and fish-liver oils		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	399	1,453	746	1,051,347	904,950	823,359	16,529	20,321	10,902
Oleomargarine	566	489	419	142,857	98,657	115,947	---	---	---
Other edible products	57,104	65,384	70,956	198,155	233,442	263,323	---	---	---
Soap	2,514	4,441	3,638	2,883	1,061	2,971	79,874	114,961	88,661
Paint and varnish	118	155	174	184	51	65	15,679	24,981	30,787
Linoleum and oilcloth	---	---	---	---	---	---	13,848	17,385	15,001
Printing inks	---	---	---	168	192	152	254	204	179
Miscellaneous	3,345	1,586	2,110	2,971	2,017	2,793	26,235	40,622	33,636
Loss, including oil in foots	8,724	10,559	10,347	141,425	80,820	71,350	987	3,532	349
Total factory consumption	72,770	84,067	88,390	1,539,990	1,321,190	1,279,960	153,406	222,006	179,515
Total apparent disappearance	149,351	157,469	172,216	1,658,406	1,413,909	1,378,263	2/ 214,372	283,969	225,115

Table 2.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1938-40 - Continued

Products manufactured	Marine mammal oils			Inedible tallow and greases 3/			Lard		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	48	12	---	---	---	---	2,825	7,398	16,786
Oleomargarine	---	---	---	---	---	---	1,464	1,355	5,098
Other edible products	---	---	---	---	---	---	5,518	6,317	6,587
Soap	66,080	51,522	19,250	798,623	905,897	1,043,342	1	50	645
Paint and varnish	28	36	48	261	144	235	---	---	---
Linoleum and oilcloth	---	---	---	1	2	2	---	---	---
Printing inks	5	4	7	424	453	422	2	2	9
Miscellaneous	4,467	7,002	7,580	146,520	177,833	195,811	20	28	135
Loss including oil in foots	36	74	---	979	681	1,386	95	103	259
Total factory consumption	70,664	58,650	26,885	946,808	1,085,010	1,241,198	9,925	15,253	29,519
Total apparent disappearance	2/91,128	71,388	33,262	946,808	1,085,010	1,241,198	2/1,420,438	1,626,813	1,925,923

	Linseed oil			Neat's-foot oil			Oleo oil		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetables cooking fats	6	---	---	---	---	---	291	470	880
Oleomargarine	---	---	---	---	---	---	13,411	11,865	14,333
Other edible products	---	---	---	---	---	---	40	147	62
Soap	1,455	1,780	1,489	20	11	19	119	67	127
Paint and varnish	216,568	246,965	270,239	9	24	28	2	---	---
Linoleum and oilcloth	55,395	68,023	84,262	---	---	---	---	---	---
Printing inks	16,804	17,526	17,108	2	4	---	---	---	---
Miscellaneous	8,253	10,564	13,013	4,726	5,622	5,498	323	362	453
Loss including oil in foots	---	117	114	---	17	5	49	---	31
Total factory consumption	298,481	344,975	386,225	4,757	5,678	5,550	14,235	12,911	15,886
Total apparent disappearance	489,527	561,337	590,032	3,803	4,067	3,676	83,383	69,749	69,456

Continued-

Table 2.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1938-40 -Continued

Products manufactured	Oleostearine			Olive oil, edible			Olive oil, inedible and foots		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	32,845	25,574	16,940	---	---	---	---	---	---
Oleomargarine	3,278	3,069	3,387	---	---	---	---	---	---
Other edible products	5,074	3,142	5,926	2,850	3,798	4,570	---	---	---
Soap	240	278	549	31	54	130	16,312	20,507	16,585
Paint and varnish	---	---	---	---	---	---	6	14	7
Linoleum and oilcloth	---	---	---	---	---	---	---	---	---
Printing inks	---	2	6	---	---	---	---	---	---
Miscellaneous	144	160	231	109	131	109	3,308	4,363	5,417
Loss, including oil in foots	35	60	34	---	---	---	---	---	---
Total factory consumption	41,616	32,285	27,073	2,990	3,983	4,809	19,626	24,884	22,009
Total apparent disappearance	47,135	37,598	37,504	73,346	65,842	52,738	24,765	35,039	23,081

Products manufactured	Palm oil			Palm-kernel oil			Peanut oil		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	115,033	113,078	33,224	614	266	1,146	52,402	51,713	22,516
Oleomargarine	---	1	4	4,746	473	---	3,593	2,445	1,728
Other edible products	444	1,352	3,081	13,118	5,292	4,772	1,920	8,678	9,743
Soap	91,642	102,146	84,934	29,498	3,657	197	545	805	387
Paint and varnish	1	1	2	---	---	---	---	---	---
Linoleum and oilcloth	---	---	---	---	---	---	---	---	---
Printing inks	9	5	2	---	---	---	---	---	---
Miscellaneous	4/ 19,905	4/29,681	4/32,302	40	36	24	32	161	1,334
Loss, including oil in foots	26,116	24,782	3,664	3,946	830	634	3,969	3,291	3,822
Total factory consumption	253,150	271,046	157,213	51,962	10,554	6,773	62,461	67,093	39,530
Total apparent disappearance	2/270,097	291,950	179,869	48,920	11,359	9,337	90,846	82,883	61,850

Continued-

Table 2.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1938-40 - Continued

Products manufactured	Perilla oil			Rape oil			Sesame oil		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	---	---	---	297	37	---	5,435	724	24
Oleomargarine	---	---	---	---	---	---	---	---	---
Other edible products	---	---	---	---	---	---	1,573	1,102	1,133
Soap	---	1	---	55	2	49	302	14	38
Paint and varnish	23,528	28,674	14,659	131	79	88	---	---	---
Linoleum and oilcloth	6,952	10,758	2,387	2	---	---	---	---	---
Printing inks	1,762	1,915	1,108	1	---	---	---	---	---
Miscellaneous	407	1,198	491	4,831	6,459	8,651	24	290	34
Loss, including oil in foots	---	---	---	---	---	---	234	136	114
Total factory consumption	32,649	42,546	18,645	5,317	6,577	8,788	7,568	2,266	1,343
Total apparent disappearance	41,894	52,159	19,502	8,003	5,752	12,902	15,387	8,081	4,869

Products manufactured	Soybean oil			Tallow, edible			Tung oil		
	1938	1939	1940 1/	1938	1939	1940 1/	1938	1939	1940 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Compounds and vegetable cooking fats	137,133	201,599	212,317	74,251	56,671	39,595	---	---	---
Oleomargarine	39,885	70,822	87,106	---	69	---	---	---	---
Other edible products	11,280	32,345	39,980	2,992	3,483	4,777	---	---	---
Soap	10,897	11,177	17,612	332	418	657	---	---	---
Paint and varnish	15,183	21,720	29,828	---	---	---	78,310	82,307	54,611
Linoleum and oilcloth	3,605	6,438	7,254	---	---	---	4,131	3,763	2,064
Printing inks	59	62	82	2	1	1	2,084	2,105	1,728
Miscellaneous	5,340	9,332	16,538	557	1,445	1,611	2,890	2,545	654
Loss, including oil in foots	14,046	16,265	20,924	186	159	109	---	---	---
Total factory consumption	237,428	369,760	431,641	78,320	62,246	46,750	87,415	90,720	59,057
Total apparent disappearance	305,395	454,712	502,920	94,680	93,004	79,774 2/	90,295	105,596	67,540

Continued -

Table 2.- Factory consumption of specified fats and oils, crude basis, by classes of products, and total disappearance, United States, 1938-40 - Continued

Factory consumption compiled from reports of the Bureau of the Census. Total apparent disappearance computed from data on production, trade, and stocks compiled as follows:

Production -
Lard, Federally inspected from Bureau of Animal Industry; other production from Bureau of Agricultural Economics.
Other fats and oils, Bureau of the Census.
Trade figures, Bureau of Foreign and Domestic Commerce.
Stocks -
Lard, Agricultural Marketing Service.
Other fats and oils, Bureau of the Census.

Data for earlier years, beginning 1931, are given in The Fats and Oils Situation for April 1939.

1/ Preliminary.
2/ Revised.
3/ Includes 4,516,000 pounds of wool grease in 1938; 5,721,000 pounds in 1939; 7,355,000 pounds in 1940.
4/ Includes 18,365,000 pounds of oil used in the tin and terne plate industry in 1938; 29,130,000 pounds in 1939; 31,075,000 pounds in 1940.

Table 3.- Wholesale prices of fats and oils: Index numbers, March 1939 and 1940, January-March 1941
(1924-29 = 100)

Group	March		1941		
	1939	1940	Jan.	Feb.	Mar.
Eight domestic fats and oils 1/	78	84	87	88	93
Eight domestic fats and oils	55	60	62	63	66
All fats and oils (27 items)	58	65	67	68	72
Grouped by origin					
Animal fats	54	60	63	64	67
Marine animal oils	68	89	89	93	99
Vegetable oils, domestic	68	70	66	65	71
Vegetable oils, foreign	76	90	95	96	103
Grouped by use					
Butter, unadjusted	54	64	69	68	70
Butter, adjusted 2/	52	62	68	66	68
Lard	50	45	40	47	54
Food fats, other	68	67	71	70	78
Soap fats	67	65	66	66	75
Drying oils	78	103	95	95	99
Miscellaneous oils	65	100	84	85	86

1/ 1910-14 = 100. 2/ Adjusted for typical seasonal variation.

Table 4.- Prices of specified oil-bearing materials, March 1939 and 1940, January-March 1941

Item	Unit	March		1941		
		1939	1940	Jan.	Feb.	Mar.
		Dol.	Dol.	Dol.	Dol.	Dol.
Castor beans, Brazilian, ship't.,c.&f., New York	Ton	---	---	51.00	51.00	55.25
Copra, bags, f.o.b. Pacific Coast	100 lb.	1.82	1.73	1.71	1.82	2.38
Cottonseed, Dallas	Ton	23.37	28.25	1/26.20	---	---
Flaxseed, No. 1, Minneapolis	Bu.	1.96	2.08	1.78	1.75	1.80
Peanuts, shelled, Runners No. 1, S.E. mills	100 lb.	5.00	5.25	5.12	5.25	5.30
Soybeans, No. 2 Yellow, Chicago	Bu.	.88	1.14	1.01	.95	1.04

Compiled from Oil, Paint and Drug Reporter, Daily Trade Bulletin (Chicago), Daily Market Record (Minneapolis), and reports of the Agricultural Marketing Service.
1/ Preliminary.

Table 5.- Price per ton of specified oil-cake meals, March 1939 and 1940, January-March 1941

Item 1/	Mar.		1941		
	1939	1940	Jan.	Feb.	Mar.
	Dollars	Dollars	Dollars	Dollars	Dollars
Copra meal, Los Angeles	23.00	19.60	22.40	24.40	25.25
Cottonseed meal, 41 percent protein, Memphis	22.20	30.25	27.85	24.45	24.45
Cottonseed meal, 41 percent protein, Chicago	28.15	36.20	34.50	31.25	30.75
Linseed meal, 37 percent protein, Minneapolis	38.50	30.40	29.50	28.40	27.40
Linseed meal, 34 percent protein, New York	2/40.00	35.50	25.40	23.90	23.10
Peanut meal, 45 percent protein, f.o.b. S.E. mills	20.50	32.69	21.94	20.69	20.88
Soybean meal, 41 percent protein, Chicago	24.45	30.45	29.75	26.60	26.85

Compiled from records of the Agricultural Marketing Service.

1/ Bagged, carlots, except for peanut meal.

2/ 30-32 percent protein.

Table 6.- Oleomargarine: Production and materials used in manufacture, United States, February 1939 and 1940, December-February 1940-41

Item	Feb.		1940-41 1/		
	1939	1940	Dec.	Jan.	Feb.
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Production:					
Colored	127	169	240	2/ 412	337
Uncolored	27,568	29,313	32,217	33,618	27,765
Total 3/	27,695	29,482	32,457	34,030	28,103
Materials used:					
Oleo oil	1,289	1,337	1,477	1,788	1,161
Oleostearine	228	261	301	227	253
Lard, neutral	115	333	776	777	504
Oleo stock	132	105	156	158	120
Monostearine	---	---	19	16	11
Total animal	1,764	2,036	2,729	2,966	2,049
Cottonseed oil	9,412	10,200	13,107	13,451	11,626
Soybean oil	4,395	8,657	8,549	9,460	7,394
Peanut oil	194	153	182	200	163
Corn oil	62	89	34	37	39
Vegetable gum	---	1	---	---	---
Cottonseed stearine	---	---	1	---	---
Soybean stearine	---	---	---	---	2
Total domestic vegetable	14,063	19,100	21,873	23,148	19,224
Coconut oil	5,295	1,841	1,527	1,281	1,296
Babassu oil	1,168	770	14	---	62
Palm-kernel oil	44	---	---	---	---
Total foreign vegetable	6,507	2,611	1,541	1,281	1,358
Total fats and oils	22,334	23,747	26,143	27,395	22,631
Milk	5,422	5,761	6,034	6,227	5,348
Salt and other miscellaneous	1,256	1,332	1,341	1,353	1,088

Compiled from Internal Revenue records and Internal Revenue Bulletin.

1/ Preliminary.

2/ Includes manufacturers' returns not available for other reports.

3/ Total of unrounded numbers.